

The 24TH NAVAJO NATION COUNCIL Office of the Speaker



## Navajo Nation Council approves continuing budget resolution to keep government functioning

## FOR IMMEDIATE RELEASE: July 27, 2020

**WINDOW ROCK, Ariz.** – A continuing budget resolution (CR) was approved by the 24th Navajo Nation Council at its 2020 Summer Session Jul. 22 that authorizes operational funding for the Navajo Nation government through Mar. 30, 2021, under the Navajo Nation Fiscal Year 2020 Comprehensive Budget. The CR would go into effect if the Navajo Nation Council could not approve a fiscal year 2021 (FY2021) comprehensive budget by Oct. 1.

Legislation No. 0147-20, sponsored by Council Delegate Raymond Smith, Jr. (Klagetoh, Wide Ruins, Houck, Lupton, Nahata Dziil) and co-sponsored by Council Delegate Carl Roessel Slater (Lukachukai, Rock Point, Round Rock, Tsaile/Wheatfields, Tsé Ch'izhí), was approved by the 24th Navajo Nation Council with a vote of 22 in favor and 0 opposed.

Normally, the Navajo Nation government would be conducting program budget oversight hearings to prepare the next year's overall budget. The Navajo Nation Council would then typically consider the entire comprehensive budget in September, before the start of the new fiscal year on Oct. 1.

However, the Navajo Nation's key budget staff and program personnel have been placed on administrative leave with pay since Mar. 16, when an Executive Order was issued by the Office of the President and Vice President. The order was intended to reduce employee risk of exposure to COVID-19.

Navajo Nation Controller Pearline Kirk stated to the 24th Navajo Nation Council on Wednesday that a CR would put the Navajo Nation in a better financial position compared to rushing to approve a comprehensive budget by Oct. 1.

If the Navajo Nation were to continue the closure of government offices and personnel were placed on administrative leave again due to the COVID-19 pandemic, those payroll funds would be reimbursable or paid from the federal CARES Act funds.

Overall, the CR would authorize additional funds for a limited period based on the existing FY2020 funding amounts.

Previously, the Budget and Finance Committee considered Legislation No. 0147-20 and voted to approve it with 4 in favor and 0 opposed. The Naabik'íyáti' Committee then considered the legislation, issuing two amendments before approving it with a vote of 19 in favor and 1 opposed.

When introducing the legislation to the Naabik'íyáti' Committee on Jul. 9, Delegate Smith called the CR a safety net that would create an automatic funding mechanism in case the government could not meet the October deadline.

At the Naabik'íyáti' Committee discussion, Council Delegate Mark Freeland (Becenti, Lake Valley, Nahodishgish, Standing Rock, Whiterock, Huerfano, Nageezi, Crownpoint) asked if the CR would need to be sent to the Office of the President and Vice President (OPVP) for approval. He asked, "Do we feel that he will sign it or strike with a veto pen?"

"It's a real important legislation and if we're not in compliance with any of the federal compact or regulations, we could be dinged," Delegate Freeland said. In one instance, complications with the budget could result in hardships among Navajo Nation programs.

Though the legislation is required to be considered by OPVP, Delegate Smith pointed out that, if a comprehensive budget is established before the deadline, the CR will become null and void in accordance with the first amendment issued by the Naabik'íyáti' Committee.

"As far as [President Nez] line-item vetoing this, this is not a resolution, but a continuing resolution. There's no money attached to that, so there's no line-item veto." As far as amending to extend the timeline, the president can issue a regular veto on the CR.

Council Delegate Otto Tso (To' Nanees Dizi) asked if it was possible to extend the CR to six months instead of the original proposed three months, stating that the cold season and a second wave of COVID-19 would create unexpected challenges. Sponsoring Delegate Smith said he was in favor of a sixmonth extension, which could also be reviewed closer to the Dec. 31 CR expiration date.

Delegate Otto Tso called for an amendment, the second in order on the legislation, to lengthen the CR to six months, making the new deadline Mar. 31, 2021.

Although the changes and legislation were approved, council delegates stressed the urgency of creating a comprehensive budget as soon as possible.

"We, as Navajo Nation Council, should be focused on getting that budget out right away," said Council Delegate Jamie Henio (Alamo, Ramah, Tohajiilee), who is the chair of the Budget and Finance Committee.

The ongoing coronavirus (COVID-19) pandemic has resulted in the simultaneous closure of Navajo Nation government offices to all members of the public except essential personnel. The fourth quarter of the Navajo Nation's fiscal year began Jul. 1.